

**AMENDMENT TO DECLARATION OF CONDOMINIUM OF  
WILLOWBROOK HILL CONDOMINIUMS OF PROVO  
(AN EXPANDABLE CONDOMINIUM)**

THIS AMENDMENT TO DECLARATION OF CONDOMINIUM OF WILLOWBROOK HILL CONDOMINIUMS OF PROVO (AN EXPANDABLE CONDOMINIUM) (this “Amendment”) is made effective as of January \_\_\_\_, 2012 by the undersigned, being all of the members of the Management Committee of Willowbrook Hill Condominiums Homeowners Association, a Utah non-profit corporation (the “Association”).

RECITALS

A. Recorded in the Office of the County Recorder for Utah County, Utah on September 24, 1979, as Entry No. 38573, in Book 1781, at Pages 571 et seq., is the Declaration of Condominium of Willowbrook Hill Condominiums of Provo (an Expandable Condominium), which was subsequently supplemented and amended by recording in the Office of the County Recorder for Utah County, Utah, the following supplements and amendments to said Declaration of Condominium (collectively the “Declaration”):

Supplements & Amendments	Date Recorded	Entry No.	Book No.	Page Nos.
First Supplementary Declaration to the Declaration of Condominium of Willowbrook Hill Condominium of Provo	July 31, 1980	25600	1850	79-89
Limited Age Restriction Supplemental Declaration of Condominium of Willowbrook Hill Condominiums of Provo	August 5, 1980	26970	1852	561-563
Amendment to Declaration of Condominium of Willowbrook Hill Condominiums of Provo	September 28, 1988	29424	2546	82-83
Amendment to Declaration of Condominium of Willowbrook Hill Condominiums of Provo	November 14, 1996	92646	4120	859
Amendment to Declaration of Condominium of Willowbrook Hill Condominiums of Provo and Notice of Title Transfer Fee Obligation	October 13, 1999	110187	5242	409-411
Amendment to the Declaration of Condominium of Willowbrook Hill Condominiums of Provo	September 12, 2002	106620:2002		1-8

B. Recorded in the Office of the County Recorder for Utah County, Utah on October 1, 1979, as Entry No. 38572-1979, is the Record of Survey Map of Willowbrook Hill Condominiums Phase I, and on July 31, 1980, as Entry No. 2570, is the Record of Survey Map of Willowbrook Hill Condominiums Phase II, as amended (collectively the “Map”).

C. By the Declaration and the Map, that certain real property more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference was submitted to the provisions of the Condominium Ownership Act of the State of Utah as the Willowbrook Hills Condominiums of Provo (an expandable Utah condominium) (the “Project”).

D. The Owners desire to amend the Declaration to incorporate therein certain changes recently made by the Utah Legislature to the Utah Condominium Ownership Act, UCA § 57-8-1 through § 57-8-54, as amended (the “Act”).

E. The undersigned, being all of the members of the Management Committee of the Association, hereby declare and certify on behalf of the Association that this Amendment was approved by the affirmative written assent or vote of Owners holding not less than fifty-one percent (51%) of the Percentage Interests in the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference and for other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the Declaration is hereby amended as follows:

1. **Article I. Definitions.** Article I of the Declaration is hereby amended so as to delete Paragraph 1 as it presently appears and to substitute the following revised Paragraph 1 and add the following Paragraphs 24, 25, 26, 27 and 28 at the end of said Article I:

1. Act shall mean and refer to the Utah Condominium Ownership Act, UCA § 57-8-1 through § 57-8-54, as amended.

24. Assessment shall mean and refer to (i) any charge imposed by the Association on an Owner, including, without limitation, Common Expenses on or against an Owner pursuant to the provisions of this Declaration, the Bylaws or the Act, and (ii) any amount assessed by the Association against an Owner for damage to the Owner’s Unit or to a Limited Common Area or Facility applicable to the Owner’s Unit pursuant to §57-8-43(9) (h) of the Act.

25. Contact Person shall mean and refer to the person whose name, address and telephone number have been provided to the Utah Department of Commerce by the Association in compliance with §57-8-13.1 of the Act and who has been designated by the Association as the primary contact person who has Association payoff information needed in connection with the closing of an Owner’s financing, refinancing or sale of the Owner’s Condominium Unit.

26. Reserve Analysis shall mean and refer to an analysis to determine the need for and the appropriate amount of a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring the Common Areas and Facilities that have a useful life of three years or more, but excluding any cost that can reasonably be funded from the Association’s general budget or other funds of the Association.

27. Trustee shall mean and refer to the person appointed as trustee by the Association with power of sale and other powers of trustee under § 57-8-45 of the Act and Utah Code Annotated §§ 57-1-19 through 57-1-34 for the purpose of enforcing the lien for unpaid Assessments provided for in this Declaration and the Act.

28. All other definitions contained in the Act to the extent they are applicable hereto and not inconsistent herewith, shall be and are hereby incorporated herein by

reference and shall have the same effect as if expressly set forth herein and made a part hereof.

2. **Article III. Paragraph 21. Agreement to Pay Assessment.** Article III. Paragraph 21 of the Declaration is hereby amended so as to delete Article III. Paragraph 21 as it presently appears and to substitute therefore the following:

21. **Assessments.** Annual Assessments shall be computed and assessed against all Condominium Units in the Project as follows:

(a) **Common Expenses.** Annual Assessments shall be based upon advance estimates of the Association's cash requirements to provide for payment of all estimated Common Expenses for each calendar year ("Annual Assessments"). Such estimated Common Expenses shall include, without limitation, the following: (i) Common Expenses of management; (ii) real property taxes and special assessments (unless and until the Condominium Units are separately assessed); (iii) premiums for all insurance that the Association is required or permitted to maintain hereunder; (iv) repairs, maintenance and administration of the Common Areas and Facilities; (v) wages for Association employees, including fees for a manager (if any); (vi) utility charges, including charges for utility services to the Units to the extent not separately metered or billed; (vii) legal and accounting fees; (viii) any deficit remaining from a previous period; (ix) creation and maintenance of an adequate reserve fund to cover the cost of repairing, replacing and restoring of those Common Areas and Facilities that have a useful life of three (3) years or more, but excluding any cost that can reasonably be funded from the annual budget or other funds of the Association, and such reserve shall be funded by monthly payments; and (x) any other expenses and liabilities that may be incurred by the Association for the benefit of the Owners under or by reason of the Declaration or the Act.

(b) **Apportionment.** Common Expenses shall be apportioned among and assessed to the Owners in proportion to their respective Percentage Interests in the Common Areas, as shown in Exhibit "B" under the column heading "Percentage Interests", as amended.

(c) **Annual Budget.** Annual Assessments shall be determined on the basis of a fiscal year beginning January 1 of each year and ending the December 31 next following. The Management Committee shall prepare and furnish to each Owner as provided in Article III. Paragraph 46, or cause to be prepared and furnished to each Owner, an operating budget on or before December 15 of each year. The budget shall itemize the estimated Common Expenses for such fiscal year, anticipated receipts (if any), any deficit or surplus from the prior operating period, and the amount to be set aside in the reserve fund for such fiscal year. The budget shall serve as the supporting document for the Annual Assessment for the upcoming fiscal year and as a major guideline under which the Project shall be operated during such annual period.

(d) **Notice of Annual Assessments and Time for Payment.** The Management Committee shall notify each Owner in writing as to the amount of the Annual Assessment against such Owner's Condominium Unit not less than thirty (30) days prior to the beginning of the next fiscal year beginning on January 1 next following. Each Annual

Assessment shall be payable in twelve equal monthly installments, one such installment due on the first day of each calendar month during the fiscal year to which the Annual Assessment relates. All unpaid installments of any Annual Assessment shall bear interest at the rate of twelve percent (12%) per annum from the date each such installment becomes due until paid. In addition, in the event that any installment of any Annual Assessment is not paid on the date such installment becomes, due, it shall be subject to a penalty for late payment of five percent (5%) of each delinquent monthly installment for each month it remains unpaid. The failure of the Management Committee to give timely notice of any Annual Assessment as provided herein shall not be deemed a waiver or modification in any respect of the provisions of the Declaration, or a release of any Owner from the obligation to pay such Assessment or any other Assessment; but the date when the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such Assessment shall have been given to the Owner in the manner provided in the Declaration.

(e) Inadequate Funds. In the event that the Annual Assessments proves inadequate at any time for whatever reason, including nonpayment of any Owner's Assessment, the Management Committee may on behalf of the Association levy additional Assessments in accordance with the procedure set forth in Article III. Paragraph 21. (g) below, except that the vote therein specified shall be unnecessary.

(f) Reserve Analysis.

1. The Management Committee shall cause a Reserve Analysis to be conducted no less frequently than every five (5) years, and review and, if necessary, update a previously conducted Reserve Analysis no less frequently than every two (2) years. The Management Committee may conduct a Reserve Analysis itself or may engage a reliable person or organization, as determined by the Management Committee, to conduct the reserve analysis.

2. The Management Committee shall not use money in the reserve fund (i) for daily maintenance expenses unless approved by the affirmative vote or written consent of Owners having ownership of not less than fifty-one percent (51%) of the Percentage Interests in the Common Areas and Facilities, or (ii) for any purpose other than the purpose for which the reserve fund was established.

3. The Association shall (i) annually, at the annual meeting of Owners or at a special meeting of the Owners, present the Reserve Analysis, and provide an opportunity for Owners to discuss reserves and to vote on whether to fund the reserve fund and, if so, how to fund it and in what amount, and (ii) prepare and keep minutes of each such meeting and indicate in the minutes any decision relating to funding the reserve fund.

(g) Special Assessments. In addition to the Annual Assessments authorized by this Paragraph 21, the Management Committee may, on behalf of the Association, levy special Assessments ("Special Assessments") at any time and from time to time, upon the affirmative vote or written consent of Owners approved by the affirmative vote or written consent of Owners having ownership of not less than fifty-one percent (51%) of the Percentage Interests in the Common Areas and Facilities, payable over such periods as the Management Committee may determine, for the purpose of defraying, in whole or in

part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expenses incurred or to be incurred as provided in the Declaration (including without limitation Common Expenses); provided that notwithstanding the foregoing, the Management Committee may, on its own and without the affirmative vote or written consent of the Owners, levy a Special Assessment at any time and from time to time in the amount of up to \$500.00 per Unit and \$20,000.00 in total for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof. This Paragraph shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Paragraphs or Articles hereof. Notice in writing of the amount of each such Special Assessment and the time for payment thereof shall be given promptly to the Owners; no payment shall be due less than fifteen (15) days after such notice shall have been given. All unpaid portions of any Special Assessment shall bear interest at the rate of twelve percent (12%) per annum from the date such portions become due until paid. In addition, in the event that any Special Assessment is not paid on the date such Special Assessment becomes due, it shall be subject to a penalty for late payment of five dollars (\$5.00) of each delinquent Special Assessment for each month it remains unpaid.

(h) Separate Common Expense Fund and Reserve Fund. All funds received from Assessments under this Paragraph other than the amounts set aside for the reserve fund shall be part of the general common expense fund. The general common expense fund and the reserve fund shall be kept in separate accounts established with a federal or state chartered bank, savings bank, industrial bank or credit union.

(i) Lien for Assessments. The Association has a lien on each of the Condominium Units for (1) any Assessment, (2) fees, charges, and costs associated with collecting any unpaid Assessment, including, court costs and reasonable attorney fees, late charges, interest, and any other amount that the Association is entitled to recover under the Declaration, the Act, or an administrative or judicial decision, and (3) any fine that the Association imposes against the Owner of the Condominium Unit. The recording of the Declaration constitutes record notice and perfection of the lien described in this Paragraph. A lien under this Paragraph is not subject to Utah Code Annotated Title 78B, Chapter 5, Part 5, Utah Exemptions Act. If an Assessment is payable in installments, the lien described in this Paragraph is for the full amount of the Assessment from the time the first installment is due, unless the Association otherwise provides in the notice of Assessment. A lien under this Paragraph has priority over each other lien and encumbrance on a Condominium Unit except:

1. a lien or encumbrance recorded before the Declaration is recorded;
2. a first or second security interest on the Condominium Unit secured by a deed of trust or mortgage that is recorded before a recorded notice of lien by or on behalf of the Association; or
3. a lien for real estate taxes or other governmental assessments or charges against the Unit.

(j) Enforcement of a Lien.

1. To enforce a lien for unpaid Assessments, the Association may cause a Condominium Unit to be sold through nonjudicial foreclosure as though the lien were a deed of trust, in the manner provided by Utah Code Annotated §57-1-24 through §57-1-27 and the Act, or foreclose the lien through a judicial foreclosure in the manner provided by law for the foreclosure of a mortgage and the Act. For purposes of a nonjudicial or judicial foreclosure, the Association is considered to be the beneficiary under a trust deed and the Owner of the Condominium Unit being foreclosed is considered to be the trustor under a trust deed. An Owner's acceptance of the Owner's interest in a Condominium Unit constitutes a simultaneous conveyance of the Condominium Unit in trust, with power of sale, to the trustee designated as provided in this Paragraph for the purpose of securing payment of all amounts due under the Declaration and the Act. In any such judicial or nonjudicial foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees) and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any Assessments against the Condominium Unit which shall become due during the period of any such judicial or nonjudicial foreclosure, and all such Assessments shall be secured by the lien being foreclosed. The Management Committee shall have the right and power in behalf of the Association to bid in at any foreclosure sale, and to hold, lease, mortgage, or convey the subject Condominium Unit in the name of the Association.

2. The Association hereby appoints Steven L. Ingleby, attorney at law, as Trustee with power of sale pursuant to Section 57-8-45 of the Act. The Declarant hereby conveys and warrants pursuant to Utah Code Annotated Sections 57-1-20 and 57-8-45 to Steven L. Ingleby, attorney at law, with power of sale, each of the Condominium Units and all improvements to the Condominium Units for the purpose of securing payment of Assessments under the terms of the Declaration. The Association may appoint a substitute Trustee by executing and recording in the official records of Utah County, Utah a substitution of trustee form authorized under Utah Code Annotated Section 57-1-22. A person may not be a Trustee under this Paragraph unless the person qualifies as a trustee under Utah Code Annotated Section 57-1-21.

3. At least 30 calendar days before initiating a nonjudicial foreclosure, the Association shall provide notice to the Owner of the Unit that is the intended subject of the nonjudicial foreclosure. The notice shall (i) notify the Owner that the Association intends to pursue nonjudicial foreclosure with respect to the Owner's Unit to enforce the Association's lien for an unpaid Assessment; (ii) notify the Owner of the Owner's right to demand judicial foreclosure in the place of nonjudicial foreclosure; (iii) be sent to the Owner by certified mail, return receipt requested; and (iv) be in substantially the following form:

**NOTICE OF NONJUDICIAL FORECLOSURE AND RIGHT TO DEMAND JUDICIAL FORECLOSURE** Willowbrook Hill Condominiums Homeowners Association, a Utah non-profit corporation, the association for the project in which your Unit is located, intends to foreclose upon your Unit and allocated interest in the common areas and facilities using a procedure that will not require it to file a lawsuit

or involve a court. This procedure is being followed in order to enforce the Association's lien against your Unit and to collect the amount of an unpaid assessment against your Unit, together with any applicable late fees and the costs, including attorney fees, associated with the foreclosure proceeding. Alternatively, you have the right to demand that a foreclosure of your property be conducted in a lawsuit with the oversight of a judge. If you make this demand and the Association prevails in the lawsuit, the costs and attorney fees associated with the lawsuit will likely be significantly higher than if a lawsuit were not required, and you may be responsible for paying those costs and attorney fees. If you want to make this demand, you must state in writing that "I demand a judicial foreclosure proceeding upon my Unit," or words substantially to that effect. You must send this written demand by first class and certified U.S. mail, return receipt requested, within 15 days after the date of the postmark on the envelope in which this notice was mailed to you. The address to which you must mail your demand is Willowbrook Hill Condominiums Homeowners Association, 1600 N. Willowbrook Drive, P.O. Box 1815, Provo, Utah 84603.

4. In the event of foreclosure, the Owner, if it is an owner-occupier and desires to remain in the Unit during any redemption period, shall be required to pay a reasonable rental for the Unit and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the security. The Association or its manager (if any) shall have the power to bid on the Unit at foreclosure or other sale and to hold, lease, mortgage and convey the Unit.

5. As provided in §57-8-48 of the Act, the one-action-rule provided in Utah Code Annotated Subsection 78B-6-901(1) shall not apply to the Association's judicial or non-judicial foreclosure of a lien for Common Expenses.

(k) Personal Obligation of Owner. The amount of any Assessment against any Condominium Unit shall be the personal obligation of the Owner of such Condominium Unit to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Condominium Unit or by waiving any services or amenities provided for in the Declaration. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including reasonable attorneys' fees in an amount as the court may deem reasonable, in favor of the Association, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs. As provided in the Act, a purchaser of a Condominium Unit in any voluntary conveyance of a Condominium Unit shall be jointly and severally liable with the seller thereof for all unpaid Assessments against the Condominium Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such Assessments. Notwithstanding the foregoing, a sale or transfer of a Condominium Unit pursuant to a foreclosure or trust deed sale of a Mortgage shall extinguish a subordinate lien for Common Expenses which became payable prior to such sale or transfer.

(l) Termination of a Delinquent Owner's Rights.

1. If an Owner fails or refuses to pay any Assessment when due, the Management Committee may terminate a delinquent Owner's right to receive a utility service for which the Owner pays as a Common Expense, or of access to and use of any recreational facilities that are part of the Common Areas and Facilities. Before terminating a utility service or right of access to and use of recreational facilities, the Management Committee shall give the delinquent Owner twenty (20) days prior written notice to such Owner stating that (i) the Association will terminate the Owner's utility service or right of access to and use of recreational facilities, or both, if the Association does not receive payment of the Assessment within said twenty (20) day period; (ii) the amount of the Assessment due, including any interest or late payment fee; and (iii) the Owner's right to request a hearing under Article III. Paragraph 21. (l) 2. below.

2. A delinquent Owner may submit a written request to the Management Committee for an informal hearing to dispute the Assessment. A request under this Paragraph. shall be submitted to the Management Committee within fourteen (14) days after the date the delinquent Owner receives the notice under Article III. Paragraph 21. (l) 1. The Management Committee shall conduct an informal hearing requested under this Paragraph and may not terminate a utility service or right of access to and use of recreational facilities until after the Management Committee conducts the hearing, and enters a final decision. If the Management Committee terminates a utility service or a right of access to and use of recreational facilities, the Management Committee shall take immediate action to reinstate the service or right following the Owner's payment of the delinquent Assessment, including any interest and late payment fee. The Management Committee may assess an Owner for the cost associated with reinstating a utility service that the Management Committee terminates and demand that the estimated cost to reinstate the utility service be paid before the service is reinstated, if the estimated cost is included in the notice to the Owner under Article III. Paragraph 21. (l) 1. above.

(m) Payment of Tenant Lease Payments.

1. If an Owner is leasing the Owner's Unit and fails to pay an Assessment for more than sixty (60) days after the assessment is due, the Management Committee may demand that any tenant that is leasing the Owner's Unit pay to the Association all future lease payments due the Owner, beginning with the next monthly or other periodic payment, until the amount due to the Association is paid.

2. The Management Committee shall give the Owner written notice of its intent to demand full payment from the tenant. Said notice shall (i) provide notice to the tenant that full payment of the remaining lease payments will be paid to the Association beginning with the next monthly or other periodic payment unless the delinquent Assessment is received by the Association within the time provided herein, (ii) state the amount of the Assessment due, including any interest or late payment fee, and (iii) state that any costs of collection, not to exceed the amount permitted by law in the State of Utah, and other Assessments that become due may be added to the total amount due.

3. If the Owner fails to pay the Assessment by the date specified in said notice, the Management Committee may then deliver written notice to the Owner's tenant demanding that the tenant make all future payments otherwise due the Owner to the Association. The Management Committee shall mail a copy of said tenant notice to the Owner. Said notice shall state (i) that due to the Owner's failure to pay the Assessment within the time period allowed, the Owner has been notified of the intent of the Management Committee to collect all lease payments due to the Association, (ii) that until notification by the Association that the Assessment due, including any interest, collection cost, or late payment fee, has been paid, the tenant shall pay to the Association all future lease payments due to the Owner, and (iii) that payment by the tenant to the Association in compliance with this Paragraph will not constitute a default under the terms of the tenant's lease agreement with the Owner.

4. All funds deposited with the Association pursuant to this Paragraph shall be (i) deposited in a separate account; and (ii) disbursed to the Association until the Assessment due, together with any cost of administration, not to exceed \$25.00, is paid in full. Any remaining balance shall be paid to the Owner within five (5) business days after payment in full to the Association.

5. Within five (5) business days after payment in full of the Assessment, including any interest or late payment fee, the Management Committee shall notify the tenant in writing that future lease payments are no longer due to the Association. A copy of said notice shall also be mailed to the Owner.

(n) Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid Assessments, as above provided. Nothing in this Paragraph 21 shall be deemed to prohibit the Association from bringing an action against an Owner to recover an amount for which a lien is created under this Paragraph 21 or from taking a deed in lieu of foreclosure, if the action is brought or deed taken before the sale or foreclosure of the Owner's Unit under this Paragraph 21.

(o) Certificate of Unpaid Assessments.

1. Upon receipt of a written request from an Owner and payment of a reasonable fee, not to exceed \$25.00, the Management Committee or the Project's manager (if any) shall issue a written statement to the Owner of any unpaid Assessments with respect to the Owner's Unit.

2. A certificate executed and acknowledged by the Association or its manager (if any) stating the unpaid Assessments, late fees and interest charges then outstanding with respect to a Unit shall be conclusive upon the Association and the Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner or Mortgagee or prospective Owner or Mortgagee of a Unit upon written request to the Association's Contact Person in connection with the closing of the financing, refinancing or sale of an Owner's Unit at a reasonable fee not to exceed Fifty Dollars (\$50.00) to be paid

before closing. Any such request for payoff information must be (a) submitted to the Contact Person in writing, (b) contain the name, telephone number and address of the person making the request and the facsimile number or email address for delivery of the payoff information, and (c) be accompanied by a written consent for the release of the payoff information, identifying the person requesting the information as a person to whom the payoff information may be released, and signed and dated by an Owner of the Unit for which the payoff information is requested. The Association shall provide the certificate to the party requesting it within five (5) business days of the date of the request. Any Mortgagee holding a lien on a Unit may pay any unpaid Common Expenses payable with respect to such Unit and upon such payment that Mortgagee shall have a lien on that Unit of the same rank as the lien of his/her encumbrance for the amounts paid.

(p) Records of Receipts and Expenditures; Examination. The Management Committee shall (a) keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the Common Areas and Facilities, specifying and itemizing the maintenance, repair and replacement expenses of the Common Areas and Facilities and any other expenses incurred, and (b) make those records available for examination by any Owner at convenient hours of weekdays no later than 14 days after the Owner makes a written request to examine the records.

(q) Transfer Fee. Each time legal title to a Condominium Unit passes from one person or entity to another, the new Owner shall pay to the Association a transfer fee in the amount of \$250.00, which shall become part of the Association's general common expense fund and shall be used for such purposes as the Management Committee may determine. The provisions of this Paragraph 21 shall apply to the collection of this transfer fee.

(r) Amendment of Article. This Paragraph 21 shall not be amended unless such amendment has been approved by the affirmative vote or written consent of Owners having ownership of not less than fifty-one percent (51%) of the Percentage Interests in the Common Areas and Facilities.

3. Article III. Paragraph 23. Insurance. Article III. Paragraph 23 of the Declaration is hereby amended so as to delete Article III. Paragraph 23 as it presently appears and to substitute therefore the following:

23. Insurance. The Association shall maintain, to the extent reasonably available using typical insurance carriers and markets, (a) property insurance on the physical structures in the Project, including the Common Areas and Facilities, Limited Common Areas and Facilities, and the Units, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils, and (b) liability insurance, including medical payments insurance covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Areas and Facilities. If the Association becomes aware that property insurance or liability insurance is not reasonably available, the Association shall, within seven (7) calendar days after becoming aware, give all Owners notice that the insurance is not reasonably available.

(a) Property Insurance. The Association shall at all times maintain in force property insurance meeting the following requirements:

1. Hazard Insurance. A multi-peril type policy shall be maintained by the Association covering the entire Condominium Project (both Units and Common Areas and Facilities), including, without limitation, all fixtures, machinery, equipment and supplies maintained for the service of the Project, and all fixtures, improvements, alterations, equipment and betterments within the individual Units and the Common Areas and Facilities, including, without limitation, those installed by any Owner. Such policy shall provide coverage against loss or damage by fire and other hazards covered by the standard extended coverage blanket "all risk" endorsement and by debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, and such other risks as customarily are covered with respect to condominium projects similar to the Project in construction, location, and use. As a minimum, such policy shall provide coverage on a replacement cost basis in an amount not less than that necessary to comply with any co-insurance percentage specified in the policy, but not less than one hundred percent (100%) of the full insurable value of the Project (based upon replacement cost). Deductibles shall not exceed the lower of \$10,000 or one percent of the applicable amount of coverage. At the option of the Association, funds for such deductibles may be included in the Association's reserves and, if included, shall be so designated. Such policy shall include an "Agreed Amount Endorsement" or its equivalent, and, if necessary or appropriate, an "Increased Cost of Construction Endorsement" or its equivalent. Such policy shall include coverage for any fixture, improvement, or betterment installed by an Owner to a Unit or to a Limited Common Area, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a Unit or to a Limited Common Area. Each Owner shall be an insured person under the policy of property insurance.

2. Flood Insurance. If the Project is or comes to be situated in a locale identified by the Secretary of Housing and Urban Development (HUD) or the Director of the Federal Emergency Management Agency (FEMA) as a Special Flood Hazard Area, the Association shall obtain and pay the premiums upon, as a common expense, a "master" or "blanket" policy of flood insurance on the Buildings and any other property covered by the required form of policy (herein insurable property), in an amount deemed appropriate by the Association, but not less than the following: The lesser of: (a) the maximum coverage available under the NFIP for all Buildings and other insurable property within the Project to the extent that such buildings and other insurable property are within an area having special flood hazards; or (b) 100% of "current replacement cost" of all such Buildings and other insurable property within such area. Such policy shall be in a form that meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator. At the option of the Association, funds for any deductibles may be included in the Association's reserves, and, if included, shall be so designated.

3. Name of the Insured. The named insured under each policy required to be maintained by the foregoing Subparagraphs 1, 2, and 3 shall be in form and substance essentially as follows: "Willowbrook Hill Condominiums Homeowners Association, a Utah non-profit corporation, for the use and benefit of the individual Owners."

4. Election to Restore in Lieu of Cash Settlement. Each such policy shall provide that notwithstanding any provision thereof which gives the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable if it is in conflict with any requirement of law or without the prior written approval of the Association.

5. Association's Policy to Provide Primary Coverage. If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner, the Association's policy shall provide primary insurance coverage on the Units and the Common Areas, and the Owner's policy shall apply to that portion of the loss attributable to the deductible of the Association's policy and all personal property in the Owner's Unit. An Owner who owns a Unit that has suffered Unit damage as part of a covered loss under the Association's policy is responsible for all or a portion of the deductible of the deductible on the Association's policy calculated by applying the percentage of total damage resulting in a covered loss that is attributable to damage to a Unit or to the Limited Common Area appurtenant to such Unit to the amount of the deductible under the property insurance policy of the Association. The Association shall set aside in the Association's reserves an amount equal to the amount of the Association's property insurance deductible or \$10,000, whichever is less. The Association shall provide written notice to each Owner of the Owner's obligation for the Association's policy deductible and of any change in the amount of the deductible.

6. Insurance Trustee. An insurer under a property insurance policy issued to the Association shall adjust with the Association a loss covered under the Association's policy. Notwithstanding the above, the insurance proceeds for a loss under a property insurance policy of the Association are payable to an Insurance Trustee that the Association designates or, if no Insurance Trustee is designated, to the Association, and may not be payable to a holder of a security interest. An Insurance Trustee or the Association shall hold any insurance proceeds in trust for the Association, the Owners, and lien holders. Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property. After such disbursements are made and the damaged property has been completely repaired or restored or the project terminated, any surplus proceeds are payable to the Association, the Owners, and lien holders.

7. Certificate of Insurance. An insurer that issues a property insurance policy under this Paragraph, or the insurer's authorized agent, shall issue a certificate or memorandum of insurance to the Association, an Owner, and a holder of a security interest, upon the Association's, an Owner's or the holder's written request.

8. Cancellation or Nonrenewal Subject to Procedures in the Act. A cancellation or nonrenewal of a property insurance policy under this Paragraph is subject to the procedures stated in Utah Code Annotated § 31A-21-303.

9. Waiver of Liability. The Association and Management Committee that acquires from an insurer the property insurance required in this Paragraph is not liable to Owners if the insurance proceeds are not sufficient to cover 100% of the full replacement cost of the insured property at the time of the loss.

(b) Fidelity Insurance. The Association shall maintain in force fidelity coverage against dishonest acts on the part of managers (and employees of managers), and Association trustees, employees, officers, Management Committee members, and volunteers responsible for handling funds belonging to the Association or administered by the Management Committee or the Association. An appropriate endorsement to the policy shall be secured to cover persons who serve without compensation if the policy would not otherwise cover volunteers. The fidelity bond or insurance shall name the Association as the obligee or insured and shall be written in an amount sufficient to afford the protection reasonably necessary, but in no event less than one and one-half times (150%) of the Project's estimated annual operating expenses and reserves. The insurance shall contain waivers by the issuers of the insurance of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all insurance required herein, except those maintained by the management agent, shall be paid by the Association as a Common Expense. The insurance shall provide that it may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Association or the Insurance Trustee. Such bonds shall also provide that the FNMA servicer, if FNMA is a holder of Mortgages on Units within the Project, on behalf of FNMA, also, receive such notice of cancellation or modification.

(c) Liability Insurance. The Association shall maintain comprehensive general liability insurance coverage covering all of the Common Areas and Facilities, commercial space owned and leased by the Association, if any, and public ways of the Project. Coverage limits shall be in amounts generally required by private institutional mortgage investors for condominium projects similar to the Project in construction, location, and use, provided that, such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Areas and Facilities, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least 10 days prior written notice to the Association and to each holder of a Mortgage on any Unit in the Project that is listed as a scheduled holder of a Mortgage in the insurance policy. Such policies must also include protection against such other risks as are customarily covered with respect to condominium projects similar to the Project in construction, location and use, including, but not limited to, host liquor liability, employers liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Each Owner is an insured person under a liability insurance policy that the Association obtains that insures against liability arising from the Owner's interest in the Common Areas and Facilities or from membership in the Association.

(d) Insurance Trustees; Power of Attorney. Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred

to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. Each Owner appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

(e) Qualifications of Insurance Carriers & General Coverage Requirements. The Association shall use generally acceptable insurance carriers that meet the specific requirements of FHLMC and FNMA if such corporations are holders of Mortgages on Units within the Project (See the FNMA Conventional Home Mortgage Selling Contract Supplement and the FHLMC Sellers Guide for specific requirements regarding the qualifications of insurance carriers). Notwithstanding anything herein contained to the contrary, insurance coverages required to be obtained hereunder must be in such amounts and meet other requirements of FNMA, FHLMC, FHA and the Department of Veterans Affairs if such entities are holders of Mortgages on Units within the Project.

(f) Waiver of Subrogation. An insurer under a property insurance policy or liability insurance policy obtained under this Article waives the insurer's right to subrogation under the policy against any Owner or member of the Owner's household.

(g) Owners' Content Policies. Each Owner shall be responsible to purchase and maintain in force a condominium unit owner contents policy that covers all personal property in the Owner's Unit (the "Contents Policy"). All Contents Policies shall provide that they do not diminish the insurance carrier's coverage for liability arising under insurance policies obtained by the Association pursuant to this Paragraph.

(h) Additional Coverage. The provisions of the Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by the Declaration, in such amounts and in such forms as the Association may deem appropriate from time to time.

(i) Review of Insurance. The Management Committee shall review annually the coverage and policy limits of all insurance on the Project and adjust the same at its discretion. Such annual review may include an appraisal of the improvements in the Project by a representative of the insurance carrier or carriers providing the policy or policies on the Project, or by such other qualified appraisers as the Association may select.

4. **Article III. Paragraph 46. Notices.** The following Article III. Paragraph 46 is hereby added to the Declaration:

46. Notices. All notices, demands, or consents required or permitted under this Agreement shall be in writing and shall be delivered personally or sent to the appropriate party at the address maintained on file with the Association by regular mail, registered mail, certified mail, return receipt requested, by a reputable overnight courier service, or by electronic means, including text message, email, or the website of the Association, provided

that an Owner may by written demand require the Association to provide any such notice to the Owner by mail.

5. Defined Terms. Except as otherwise provided herein or as may be required by the context, all terms defined in the Declaration shall have such defined meanings when used in this Amendment.

6. Full Force and Effect of Declaration Except as Modified. Except as herein modified, all other terms of the Declaration shall remain in full force and effect.

DATED, the day and year first above written.

**Willowbrook Hill Condominiums Homeowners Association**, a Utah non-profit corporation

By: The Management Committee Thereof

By: \_\_\_\_\_  
\_\_\_\_\_, Management  
Committee Member

By: \_\_\_\_\_  
\_\_\_\_\_, Management  
Committee Member

By: \_\_\_\_\_  
\_\_\_\_\_, Management  
Committee Member

STATE OF UTAH            )  
                                      :ss.  
COUNTY OF UTAH        )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2012, by \_\_\_\_\_, a member of the Management Committee of Willowbrook Hill Condominiums Homeowners Association.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF UTAH            )  
                                      :ss.  
COUNTY OF UTAH        )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2012, by \_\_\_\_\_, a member of the Management Committee of Willowbrook Hill Condominiums Homeowners Association.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF UTAH            )  
                                      :ss.  
COUNTY OF UTAH        )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2012, by \_\_\_\_\_, a member of the Management Committee of Willowbrook Hill Condominiums Homeowners Association.

\_\_\_\_\_  
NOTARY PUBLIC

## EXHIBIT "A"

All of that certain real property located in Utah County, Utah and more particularly described as follows:

- A. Beginning at a point which is N 0°7'45" E 1244.47 feet and N 89°57'30" W 1650.33 feet from the East quarter corner of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian; thence S 0°07'45" W 998.726 feet; thence S 68°52'10" W 236.259 feet; thence N 0°21'10" W 141.71 feet; thence N 0°07'47" E 458.415 feet; thence West 90.00 feet; thence North 484.00 feet; thence S 89°57'30" E 312.46 feet to the point of beginning.
- B. Beginning at a point which is N 89°57'30" W, 1872.790 feet and South, 483.934 feet from a county monument located at the intersection of 6400 South 2000 East Streets; said monument being N00°07'45"E, 1344.470 feet from the East quarter corner of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence 26.590 feet along the arc of a 25.290 foot radius curve to the right (chord bears S59°53'05"E, 25.360 feet); thence S29°46'30"E, 22.609'; thence 64.510 feet along the arc of a 61.500 foot radius curve to the Left (chord bears S30°10'50"W, 61.590 feet); thence S00°07'52"W, 14.430 feet; thence 53.380 feet along the arc of a 304.709 foot radius curve to the left (chord bears S04°56'04E, 53.810 feet; thence 68.539 feet along the arc of a 178.500 foot radius curve to the right (chord bears S01°00'02"W, 68.120 feet); thence 25.930 feet along the arc of a 141.500 foot radius curve to the left (chord bears S06°45'02"W, 25.900 feet); thence S01°30'00"W, 49.00 feet; thence 37.720 feet along the arc of a 123.500 foot radius curve to the left (chord bears S07°15'00"E, 37.570 feet); thence 27.270 feet along the arc of a 66.500 foot radius curve to the right (chord bears S04°15'00"E, 27.000 feet); thence 56.690 feet along the arc of a 67.500 foot radius curve to the left, (chord bears S17°24'34E, 56.06 feet); thence 52.330 feet along the arc of a 47.582 foot radius curve to the left (chord bears S31°38'20"W, 49.740 feet); thence S00°07'47"W, 1.070 feet; thence S00°21'10"E, 141.710 feet to the north line of I-215 freeway; thence along said north line S70°06'30"W, 116.804 feet; thence north, 639.867 feet; thence East 110.000 feet to the point of beginning.